

## UTILITIES SERVICE BOARD MEETING

July 28th, 2014

***Utilities Service Board meetings are recorded electronically or stenographically and are available during regular business hours in the office of the Director of Utilities.***

Board Vice President Roberts called the regular meeting of the Utilities Service Board to order at 5:00 p.m. The meeting was held in the Utilities Service Board room at the City of Bloomington Utilities Administrative Building in Bloomington, Indiana.

Board members present: Julie Roberts, Jim Sims, Sam Frank, Jeff Ehman, Jason Banach, and Tim Mayer, Ex-Officio. Staff members present: Patrick Murphy, Michael Horstman, John Langley, Tom Axsom, Mike Bengtson, Rachel Atz, Phil Peden, and Nolan Hendon.

### MINUTES

***Board Member Ehman moved and Board Member Sims seconded the motion to approve the minutes of the July 14th meeting. Motion carried, 5 ayes, 2 members absent, (Swafford, Roman).***

### CLAIMS

***Board Member Ehman moved and Board Member Sims seconded the motion to approve the claims, with a correction made to claim 1080990 as follows:***

***Vendor invoices submitted to the Controller's Office on August 1st included \$89,149.75 from the Water Utility; \$93,700.63 from the Wastewater Utility; and \$23,771.85 from the Stormwater Utility. Total Claims approved, \$206,622.23.***

***Motion carried, 5 ayes, 2 members absent, (Swafford, Roman).***

Board Member Frank inquired about the split between water and wastewater funds for items such as cleaning services. Director Murphy explained that charges applicable to all utilities are usually split 60/40 wastewater/water, to reflect the proportion of revenue per fund.

Mr. Frank also inquired about customer refunds charged exclusively to one fund. Assistant Director of Finance Horstman replied that his staff look at the particular account to see where the credit should go to. Some customers only receive water or sewer service, for example. Mr. Horstman will review the specific ones listed on this claims list and reply with further detail.

Mr. Frank noticed a long list of claims to Paragon Micro, Inc. for computers. Mr. Horstman explained that Microsoft is no longer supporting the Windows version on the computers at Utilities and ITS suggested this would be an opportunity to replace computers and upgrade to secure systems running Windows 7.

Board Member Ehman noticed that a claim to Lewis Roca Rothgerber for legal services related to the water rate and financing case was charged to both water and wastewater, when it should seemingly be charged to water. Director Murphy concurred. The change will be reflected to claim 1080990 to charge all \$888.00 to water O&M.

**Board Member Ehman moved and Board Member Sims seconded the motion to approve the Utility Bill payments as follows:**

**Vendor invoices that will be submitted to the Controller's Office on July 24th included \$105,726.10 from the Water Utility; and \$13,820.87 from the Wastewater Utility. Total Claims approved, \$119,546.97.**

**Motion carried, 5 ayes, 2 members absent, (Swafford, Roman).**

**Wire transfers and fees for the month of June, 2014:**

**Board Member Ehman moved and Board Member Sims seconded the motion to approve the wire transfers and fees for the month of June in the amount of \$118,939.17.**

**Motion carried, 5 ayes, 2 members absent, (Swafford, Roman).**

**REQUEST FOR APPROVAL OF CONTRACT WITH SOUTHERN MONROE WATER AUTHORITY:**

Director Murphy presented the contract with SMWA, which had previously been before the board. He introduced Laura Stevens, President of the Southern Monroe Water Authority. The contract had been reviewed by the legal department and incorporated the items discussed previously, including maximum and minimum quantities (not to exceed 1,077,000 gpd peak demand); additional points of delivery subject to USB approval; and length of contract as twenty years.

**Board Member Ehman moved and Board Member Sims seconded the motion to approve the contract with Southern Monroe Water Authority.**

**Motion carried, 5 ayes, 2 members absent, (Swafford, Roman).**

**OLD BUSINESS:**

Director Murphy reviewed that the board had previously sent a letter of support to Washington Township Water Corporation as they work to secure a loan to upgrade infrastructure, as I-69 project requires their relocation. They were discussing creating a water authority in 2015 as financing is finalized with the State Revolving Loan Fund. Since that time, discussions occurred between the various parties in which it was expressed that the corporation needs to execute a contract as a water authority as soon as possible. Mr. Murphy requested approval to proceed working on this, as the corporation makes progress in creating a water authority. The contract would be similar to the one just executed with Southern Monroe Water Authority.

Board Member Ehman asked about the units used in contracts, which are at times monthly quantities, while staff tend to discuss daily quantities. He suggested more uniformity would be helpful. Mr. Murphy concurred.

**NEW BUSINESS:**

N/A

**SUBCOMMITTEE REPORTS:**

Chair of the Finance Subcommittee Frank relayed that the group met prior to this meeting to review the 2015 budget recommendations. The subcommittee recommends the proposed budget go forward to the full board with a favorable recommendation. The budget continues to be very conservative, with a 2% increase from the previous year. Extensions and Replacements are down slightly, at \$3.5m. Utilities' priorities continue to be equipment replacement, energy and water conservation, and water quality, as well as several continuing capital projects such as the Jordan River Culvert and Clarifier Coating. Mr. Frank commended staff for putting the budget together in a clear manner.

**STAFF REPORTS:**

N/A

**PETITIONS AND COMMUNICATIONS:**

N/A

**ADJOURNMENT:**

The meeting was adjourned at 5:22 pm.

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**Julie Roberts, Vice President**